

A decorative graphic featuring a central horizontal purple line. Above and below this line are several green circles of varying sizes, arranged in a roughly circular pattern. The word "Trade" is written in a large, bold, black sans-serif font, centered on the purple line.

Trade

Content

1. Definition of trade.
2. Methods of trade: (a) Barter (b) Currency.
3. Types of Trade
 - a) Local trade: i) Origin, ii) Development, iii) Organization, iv) Impact.
 - b) Regional trade (Trans Saharan Trade): i) Origin, ii) Development, iii) Organization, iv) Impact.
 - c) International Trade (Trans-Atlantic Trade):
 - i) Origin, ii) Development, iii) Organization,
 - iv) Impact.

Meaning of Trade

Trade is the buying and selling of goods and services for mutual benefit.

Factors Leading to the Emergence of Trade

- 1) Production of surplus or excess produce
- 2) Specialization i.e. in iron working, basketry, leather works etc
- 3) Desire to satisfy the various human needs, acquiring what one did not have necessary for human life
- 4) Unequal distribution of resources necessary for human life
- 5) The need to strengthen human relations for mutual benefit.

Methods of Trade

Barter Trade

- ❖ It is the exchange of goods and services for other goods or services e.g.
 - ✓ The Maasai in Kenya exchanged livestock products for foodstuff or grains from the Agikuyu
 - ✓ The Berbers from North Africa exchanged clothes, horses, salt, copper for kola nuts, slaves and ivory from the people of the Western Sudan
- ❖ The ancient barter trade took the form of "silent" trade or dumb barter because of lack of a common language e.g. the Trans-Saharan trade in Western Sudan.
- ❖ Barter trade has also been in use in modern times e.g. Kenya exchanging labour for food. Iraq has traded its oil for food etc.

Advantages of Barter Trade

- 1) It is useful where there is no currency
- 2) It is used to meet the demands of people whose economy is at a subsistence level, and people who do not need currency to exchange trade e.g. hunters and gatherers.
- 3) Barter trade is effective where one wants to have essential needs and there is no other method of trade.

Disadvantages

1. There is lack of measure of values as it may not be easy to establish the exact value of goods.
2. The trade depends on double coincidence of demands which is very hard to establish.
3. It is also cumbersome to carry heavy goods to and from the market over long distances.
4. Some of the goods were perishable
5. Bargaining was difficult due to lack of a common language.
6. Some trade items are indivisible e.g. animals.

Currency Trade

- ❑ **Currency** trade involves the use of money to buy commodities or pay for services.
- ❑ **Money** is an item accepted as a medium of exchange or a measure of value for goods and services.
- ❑ The items used as currency in pre-colonial Africa, included **gold dust, cloth, copper rods, iron and cowrie shells.**

Characteristics of a Currency

1. It should be acceptable by the society.
2. It should be durable to retain quality.
3. It should be divisible to enable easy use in small units.
4. It should remain stable to give a stable value over years.

Advantages of Money

1. It is convenient and it is not bulky.
2. It is a store of wealth.
3. It is divisible into smaller units.
4. It is used as a measure of value for goods and services.
5. It is a standard means of settling delayed payment.

Types of Trade

Local Trade

Local trade is the exchange of goods between people within the same geographical area.

Origin and Development of Local Trade

- Trade developed between people who produced different items.
- Continuous supply of goods also led to development of trade.
- Peace also contributed to its development.

Organization of Local Trade

- ✓ Local trade was organized between individuals, families, clans and local neighboring villages societies.
- ✓ Trade was conducted in local, small markets on set days e.g. weekly.
- ✓ There were trade routes that facilitated easy movement
- ✓ The number of traders involved and variety of items exchanged depended on the extent of the locality which the trade took place.
- ✓ Today local trade is trade within a country.

Impact of local Trade

1. It promoted good relations between communities involved.
2. Some communities adopted cultural practices of other communities.
3. Communities were able to acquire what they did not have.
4. It boosted regional trade.
5. It led to intermarriages between the communities involved.
6. It led to development of trading centers which later grew into towns.
7. Emergence of early industries
8. Chiefdoms emerged as a result of tributes paid by traders.

Regional Trade

1. This is the trade conducted between two or more geographical region or regions of a continent.
2. In regional trade:-
 - a. Geographical area is large
 - b. Variety of goods is large
 - c. There are traders who act as middlemen and they are also more than in local trade.

Example of regional trade

The Trans-Saharan trade between the peoples of the Sudanic states in the South and North Africa.

The Long-distance trade e.g. between the Akamba and the Arabs at the coast.

The Trans-Saharan Trade

Origin and Development

- It is not known exactly when this trade started.
- Historical evidence shows that before the Sahara dried up merchants travelled by horse drawn chariots between North and West Africa.
- Camels were introduced and replaced the horses in the 1st century AD. due to increased aridity.
- Trans-Saharan trade expanded greatly from 7th AD.
- This trade developed and flourished between the two regions when Muslim Arabs conquered North Africa between 8th and 16th centuries A.D.

Factors that Facilitated the Growth and Development of Trans-Saharan Trade

- 1) Introduction of the camel as means of transport. The camel could withstand the harsh conditions.
- 2) The Berbers provided the capital to finance the trade.
- 3) The oases in the desert provided watering points.
- 4) High demand of goods, from the North and West Africa.
- 5) Presence of the Tuaregs who served as guides to the traders.
- 6) Existence of well established trade routes that made it easy for the traders to travel.
- 7) Spread of Islam in the regions which became a unifying factor.

- 8) Availability of trade goods e.g. gold, kola nuts and slaves in West Africa and salt, copper, beads from North Africa.
- 9) Existence of powerful kings e.g. Mansa Musa of Mali, Askia Muhammad of Songhai who encouraged the trade, provided markets and the security.
- 10) Increased contacts between North Africa, Southern Europe and Middle East led to increased demand for trade goods.
- 11) Prior to the Trans-Saharan there existed local trade among the Berbers and Tuaregs.

Organization of the Trans-Saharan Trade

- Wealthy North African merchants (Berbers and Arabs) initiated and financed the trade in two ways
 - ✓ They gathered commodities and committed them to their employees who would organize caravans.
 - ✓ They would commit their commodities and camels as loans to traders.
- Caravans travelled in large numbers consisting of up to 1000 camels.
- The Tuaregs and Berbers would be contracted as their guides and also to guard them in the desert. r The journey took three to four months.
- The traders adopted 'silent' barter trade.
- Some traders used local agents who sold goods on their behalf.
- The Trans-Saharan trade was conducted along several trade routes.

Main Trading Routes

- I. Fez - Sijilmasa - Taghaza - Timbuktu - Audaghost
- II. Sijilmasa - Tuat - Gao - Timbuktu
- III. Tunis - Ghadames - Ghat - Agades - Kano - Hausa States
- IV. Tripoli - Murzuk - Bilma - Njimi in Kanem Bornu
- V. Cairo - Murzuk - Bilma - L. Chad Region

Trade Goods

From Western Sudan

1. Slaves
2. Pepper
3. Gold
4. Ostrich feathers
5. Ivory
6. Hide and Skins
7. Gums
8. Dyed clothe
9. Kolanuts

From North Africa

1. Salt
2. Spices
3. Beads
4. Iron tools
5. Horses Minors
6. Weapons
7. Cowrie shells
8. Clothes
9. Needles
10. Glassware
11. Dried Fruits Silk
12. Perfumes

Trade Participants and their Roles

Wealthy Merchants of North Africa

1. They provided trade goods
2. They organized caravans from the North
3. They loaned the traders camels and money for buying trade goods

Tuaregs of the Sahara

- 1) They guarded the caravans against hostile desert communities.
- 2) They watered the camels and horses used by traders.
- 3) They provided food and accommodation to traders.
- 4) They protected and maintained the oasis.
- 5) They provided guides to the caravans.
- 6) They acted as interpreters between the traders and local communities
- 7) They served as middlemen; they kept trade products and traded on behalf of the caravan traders

Western Sudan People

E.g. the Hausa, Fante, Asante and others provided trade goods.

Western Sudan Rulers

1. They regulated the supply and production of goods.
2. They also provided security to the traders in their territory.

Problems Faced by Traders

1. Loss of direction.
2. The journey was long and tiring
3. Attack by the hostile desert tribes
4. Inadequate food and water supplies
5. Sandstorms caused by Harmattan winds.
6. Frequent attacks from wild animals, scorpions & snakes.
7. Extreme desert temperatures that were very hot during the day and very cold at night.
8. Language barriers between the traders of North and those of Western Sudan,
9. Inter-community wars in Western Sudan disrupted the Trans-Saharan trade.
10. Rivalry among traders over the monopoly and control of trade and trade routes.

Decline of Trans-Saharan Trade

Factors that led to the Decline of Trans-Saharan Trade

- 1) Exhaustion of trade items e.g. gold and salt.
- 2) Competition from the Trans-Atlantic trade.
- 3) Insecurity in the region - the Tuaregs changed their role of guiding and guarding traders and began robbing them.
- 4) Turkish invasion and colonization of North Africa.

- 5) Trade was disrupted due to Invasion of Moroccan ports along Atlantic Ocean and Mediterranean Sea by Portugal and Spain between 1471 and 1505 A.D
- 6) Decline of powerful kingdoms e.g. Mali, Ghana and Songhai accelerated insecurity in the region.
- 7) W. Sudan invasion by Morocco in 1590 A.D. increased insecurity.
- 8) Penetration of Europeans into the interior of West Africa.

Impact of Trans-Saharan Trade

1. It affected people's culture and religion.
2. It stimulated growth of urban centers e.g. Gao, Kano, Jenne, Walata and Timbuktu.
3. Provided an important link between W. Sudan and N. Africa.
4. Led to intermarriages between the people from the North W. Sudan
5. Led to Islamization of the people in West Africa.
6. Islamic system of education was introduced.

7. It created a new social class of wealthy traders in W. Sudan.
8. The trade led to new types of goods being introduced to the people of West Africa.
9. Introduction of Islamic law in W. Sudan and administration.
10. Destruction of wildlife due to demand for ivory
11. Development of traditional empires.
12. Emergence of Strong empires as kings

13. Introduction of camels and horses as modes of transport.
14. Introduction of iron tools boosted agricultural production leading to increased population.
15. Introduction of guns led to increased warfare in the region.
16. Slave trade led to depopulation of West Africa.
17. Slave trade led to insecurity and misery to other people of W. Africa
18. The Trans-Saharan trade attracted enemies e.g. Moroccans.

International Trade

International trade is the trade that takes place between different nations.

Trans-Atlantic Trade

It was also referred to as the Triangular trade because it took place between Africa, America and Europe across the Atlantic Ocean.

Origin of Trans-Atlantic Trade

- It started in the 15th century A.D. because of the Portuguese and Spanish exploration.
- With the discovery and colonization of Americans in the 16th century A.D. slaves were exported there from West Africa.
- West Africans provided cheap labour in their plantations and mines.

Development of Trans-Atlantic Trade

- ❑ This trade grew from 1550 onwards as large sections of North and South America was colonized by Europeans.
 - ✓ France colonized present day Canada.
 - ✓ Britain -USA
 - ✓ Portugal - Brazil
 - ✓ Spain - Latin America
- ❑ Europe exported goods to W. African coast and traded them for slaves.
- ❑ Portuguese were the leading slave traders by the 16th century .
- ❑ The Portuguese were replaced by the Dutch by the 17th century, and later the British and the French became involved.
- ❑ Slaves replaced gold as the main commodity for export from West Africa by 1650
- ❑ The trade had reached its climax by 18th century A.D.

Factors Leading to Development of Trans-Atlantic Trade

1. European nations had had trade links with West Africa earlier before the Trans-Atlantic Trade.
2. Introduction of firearms in West Africa made it easier to raid for slaves.
3. Increased demand for slaves to work in plantations and mines.
4. Increased supply of slaves.
5. African chiefs had developed **a** taste for European goods that is, clothes and firearms.
6. Increased demand for raw materials by European industries resulted in an increase in demand for slaves in America.
7. Improved ship-building technology
8. The trade was very profitable to the merchants.

Organization of Trans-Atlantic Trade

The trans-Atlantic trade was carried out and organized between three continents

- I. Africa
- II. America
- III. Europe

Participants included :-

Portugal, Spain, Holland, Britain, France and African rulers.

Trade Goods

From Europe to West Africa

1. Clothes
2. Knives
3. Enamel bowls
4. Guns & ammunition
5. Sugar
6. Jewellery
7. Copper Ware (pots, pans)
8. Glassware
9. Tobacco

From America to Europe

1. Sugar
2. Tobacco
3. Cotton
4. Spirits (rum)
5. Iron Ware Metal Bars

From West Africa to Europe

1. Gold
2. Ivory
3. Hides
Pepper Gum
4. Bee wax

From *West Africa to America*

1. Slaves

Organization of the trade

- a. Slaves were the major commodity in this trade.
- b. When the slaves were captured, they were yoked together and marched to the coast for sale.
- c. They were locked in warehouses.
- d. The slaves were then shipped across the Atlantic Ocean. They were bartered with European goods.
- e. On ships they were chained together to prevent their escape.
- f. In America slaves were auctioned to work as plantation workers, miners and as domestic servants

Decline of Trans-Atlantic Trade

- The trade started to decline in 1770.
- In 1807, the British parliament made a decision to abolish slave trade.
- Slaves as an item of trade became unpopular.

Factors Leading to the Decline of Trans-Atlantic Trade

1. Industrial revolution where the machines had replaced manual work.
2. The independence of America in 1776 deprived Britain of her thirteen colonies; hence slaves were no longer necessary.
3. The French revolution of 1789 spread ideas of liberty, equality and brotherhood of all mankind Many people began to question slavery and slave trade.
4. Economists e.g. Adam Smith argued that free men were more productive than slaves.

6. The Christian missionaries and humanitarians began to campaign against slave trading.
7. The American civil wars of 1861 and 1865 between the North and South America over slavery. The South which supported slavery was defeated. This led to abolition of slave trade in U.S.A.
8. There were frequent slave revolts.
9. Closure of American slave markets especially after the defeat of South America
10. Christian revival movements of 19th century perceived slaves trade as evil and desired to stop it in order to evangelize the Africans.

11. Abolition of slave trade between 1817 and 1830. It was replaced by legitimate trade between Europe and West Africa.
12. Contribution of Africans. Leading Africans actively campaigned against slave trade e.g. in 1526 King Nzinga of Congo wrote to Portugal to stop buying slaves in Congo. Olaudah Equiano a former slave wrote a book attacking the evils of slave trade.

Impact of Trans-Atlantic Trade

- 1) The trade caused immense suffering of Africans whose homes and families were destroyed
- 2) Separation and displacement of families.
- 3) Many slaves died between capture and arrival to their destinations.
- 4) The trade led to depopulation of Africa, young and able bodied people were carried away.
- 5) The trade in slaves increased inter-community conflicts especially with the use of guns.
- 6) The traditional industries were weakened with the sale of cheap manufactured items.

7. Some communities and their leaders became wealthy from the sale of slaves.
8. It led to slow economic development in Africa.
9. Countries like Britain gained a lot of wealth from the trade and they were able to industrialize.
10. Africans developed a taste for European manufactured goods.
11. It led to rise of states like Asante, Dahomey and Fante.
12. It led to foundation of Liberia and Sierra Leone as settlement for freed slaves.
13. Roles changed in communities as men were sold into slavery, women became heads of families.

13. It contributed to the decline of the trans-Saharan trade.
14. It led to destruction of property during inter-communal wars.
15. It led to intermarriage between Africans and Europeans, hence growth of the Mulatto population along the West African coast.
16. The trade made Africa unprepared for the scramble and partition by European countries.
17. In Europe it led to development of ports like Liverpool.
18. It also led to the emergence of a wealthy class of traders who invested in plantations. It led to settlement of Africans in America.

KCSE SAMPLE QUESTIONS

1. What is meant by local trade